



NEW YORK STATE SENATOR

Susan Serino

SERINO WANTS GREATER OVERSIGHT IN PANDEMIC PROCUREMENT CONTRACTS

SUSAN SERINO March 9, 2021

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HYDE PARK, NY— With news outlets reporting that New York State is actively trying to recover millions of dollars it spent for goods and services it never received during the COVID-19 pandemic, Senator Sue Serino is introducing legislation to strengthen oversight of state spending during an emergency.

A December report by [The New York Times](#) detailed how the state entered into contracts for more than \$1 billion for supplies and equipment during the pandemic, but is now seeking at least partial refunds on approximately a third of that spending. The report notes that in one case, the State made an upfront deposit of \$12.5 million for ventilators with a company that produced small medical devices, children's books, masks, and adult toys—but never ventilators. According to the report, this company has not delivered any of the 1,000 agreed upon units. In February, the [New York Post](#) reported that New York is trying to recover payment from a Silicon Valley engineer that totaled nearly \$70 million after the state paid three times the going rate per-unit for ventilators that it never received.

*“At the start of the pandemic, there was a global mad rush for PPE, ventilators, food supplies and more, and we understand that mistakes will be made and bad actors looking to exploit a crisis cannot always be avoided. However, these are not small losses,” **said Senator Serino.** “The lack of sufficient oversight provided during this time has cost New Yorkers dearly, and we are only just beginning to understand the full financial impact it has had. Hardworking New Yorkers are facing unprecedented challenges as they struggle to make ends meet, and we have a duty to ensure that not a single New York dollar is wasted. We should not go one more day without putting strict oversight procedures into place to ensure that public funds are fully protected both now and during future emergencies.”*

Typically, the Comptroller would have to sign off on contracts over \$85,000 for the Office of General Services and over \$50,000 for other state agencies, departments, boards, officers, commissions and institutions, however, with New York operating in a State of Emergency for nearly a year now, these requirements have been suspended indefinitely. Serino's bill would require that in a State of Emergency, any contract that would typically require pre-approval from the Comptroller would need to be immediately filed with the Comptroller, who would then be required to issue a report noting any concerns or recommendations to the Legislature within 14 days. The bill would also require those reports be publicly posted on the Comptroller's website and most importantly, would expressly prohibit the Governor from suspending this new section of law.

Serino continued saying, “This bill is not about bogging down emergency measures with red tape. On the contrary, this on-going and timely reporting of emergency contracts would still allow the state to act swiftly to procure needed supplies and resources, but would empower the Comptroller, the State Legislature, and the public to provide appropriate oversight of emergency contracts to help ensure the responsible use of taxpayer dollars.”

The bill has been referred to the Finance Committee in the State Senate.